

CITY OF BROOKSVILLE

TO:

ACTION:

(X) Mayor Mary A. Staib	() As you requested
(X) Vice Mayor Joe Bernardini	(X) For your information
(X) Council Member Joseph E. Johnston III	() Appropriate action
(X) Council Member Richard E. Lewis	() Review and return
(X) Council Member E. E. "Ernie" Wever	() Review & route

FROM: Richard E. Anderson  **DATE:** August 31, 2004
City Manager

SUBJECT: Certificate of Public Convenience and Necessity - Ambulance Service

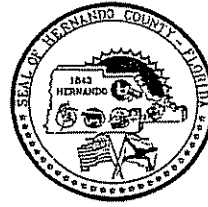
Although the decision is made by the County Commission, the City provides recommendations prior to consideration.

Questions on service levels, competition, etc. are complicated by economics, as transport revenues offset a significant portion of fixed operating costs (reportedly over \$200,00 annually for both the County and the Spring Hill Fire District).

The County's MSTU budget for medical services could require higher tax rates.

Council direction is required.

Board of County Commissioners
Hernando County
County Attorney's Office



Garth C. Collier, County Attorney
Kent L. Weissinger, Senior Assistant County Attorney
Kurt E. Hitzemann, Senior Assistant County Attorney
Fred H. Wagner, Assistant County Attorney
Geoffrey T. Kirk, Assistant County Attorney
Susan H. Bishop, Legal Administrator

20 N. Main Street, Suite 462
 Brooksville, FL 34601
 352-754-4001 Fax
 352-754-4122

July 30, 2004

Richard E. Anderson, City Manager
 City of Brooksville
 201 Howell Avenue
 Brooksville, FL 34601

Re: Application of Lifefleet Southeast d/b/a American Medical Response

Dear Mr. Anderson:

Pursuant to Section 401.25(2)(d), Florida Statutes, the Board of County Commissioners may grant a Certificate of Public Convenience and Necessity for the provisions of advanced and basic life support services to Hernando County. However, the statutes provide that recommendations must be obtained from municipalities within the area to be served prior to such certificates being granted.

Lifefleet Southeast d/b/a American Medical Response has submitted an initial application for a Certificate of Public Convenience and Necessity to operate emergency and non-emergency ALS and BLS patient transport services to the citizens of Hernando County. I have enclosed a copy of the application for your review. *(on file in the City Clerks office).*

Please indicate the recommendation of the City of Brooksville by completing the statement written below and signing in the space provided so that we may process this request.

Sincerely,

Kent L. Weissinger

/pjb

The City of Brooksville hereby recommends (approval/disapproval) _____ of the issuance of the Certificate of Public Convenience and Necessity for **Lifefleet Southeast d/b/a American Medical Response** for the period of _____ 2004 to _____ 2006.

 City Manager

MEMORANDUM

To: The Honorable Chairperson and Members of the
Hernando County Board of County Commissioners

Via: Gary D. Adams, Hernando County Administrator, *GD*

From: *Michael V. Nickerson*, Director/Fire Chief
Hernando County Fire Rescue District

SUBJECT: Opposition to AMR's Application for COPCN

Date: August 18, 2004

This memorandum is in response to the July 28, 2004 Lifefleet Southeast d/b/a American Medical Response (AMR) application for a Certificate of Public Convenience and Necessity (COPCN) to provide ambulance service within Hernando County. For the following reasons, the Hernando County Fire Rescue District (HCFRD) strongly opposes the AMR COPCN request:

The HCFRD currently provides an excellent quality ambulance service to the citizens of Hernando County (excluding the Spring Hill Fire Rescue District coverage area). The average emergency response time for HCFRD ambulances calls is currently 5.6 minutes. We currently operate five (5) 24 hour per day advance life support (ALS) ambulances, one (1) 40 hour per week ALS ambulance, in addition to six (6) ALS non-transport fire and quick response units, and six (6) basic life support (BLS) non-transport fire units.

The HCFRD's integrated system of providing both Fire and Emergency Medical Services (EMS) is designed to maximize available personnel through aggressive cross-training. If (due to the loss of revenue from transports) any HCFRD EMS Division personnel or emergency units were removed from service, a serious staffing shortfall would exist during future major fire and EMS emergencies. Therefore, the HCFRD does not have the ability to reduce the number of ambulances (and EMS crews) currently in service without severely impacting the entire system as a whole.

Additionally, the HCFRD EMS Division is funded by a combination of proceeds from ambulance transport billing and a Municipal Service Taxing Unit (MSTU) tax. Any reduction in revenue derived from ambulance transports would need to be offset by an increase in the MSTU rate (which is already proposed to increase from 0.5534 to 0.67 mills effective October 1, 2004). The amount of HCFRD ambulance billing revenue generated during the past 12 months is estimated at:

BLS Transports (medical facility to medical facility):	\$ 62,862*
ALS Transports (medical facility to medical facility):	\$ 180,038*
ALS/BLS Emergency Responses:	\$ 1,761,965*
Total HCFRD Ambulance Revenue:	\$ 2,004,865*

* = Based on actual billed amounts from July 1, 2003 through June 30, 2004, estimated at average mandatory fee waivers and collection rates.

CC: Kent L. Weissinger, Senior Assistant County Attorney

Private ambulance service yes county

THE DEPARTMENTS COULD
LOSE THOUSANDS
OF DOLLARS

By MICHAEL D. BATES
mbates@hernandotoday.com

NG HILL — Local fire departments end up losing a combined \$100,000 annually in lost revenue if a private ambulance company gains a monopoly in Hernando County. The Denver, Colo.-based American Medical Response (AMR), which until now had been a third-party ambulance service in Pinellas County, has been awarded a license to operate advanced and basic life support ambulance service county-

wide. Specifically, AMR would handle non-emergency transports out of county. Often, patients are transferred to hospitals in Pasco or Tampa for specialized treatment. Spring Hill Fire Rescue District, which handles about 720 such transports annually, stands to lose \$100 a year, Fire Chief Morrison said at yesterday's district meet-



Morrison



Nickerson

ing loss, he said, would place a severe strain on department resources. "If another company were to come in, we would see that as a financial burden on this district and one that I can't make up," Morrison said. According to Morrison, AMR aims to be the most lucrative non-transports, especially the ones that require long traveling distances for insurance reimbursements. Commissioners instructed Morrison to send a strongly worded letter of opposition to the county clerk's office and request a chance to speak on the issue during an upcoming public hearing. Morrison's comments were echoed by Nichols, rescue chief for the Hernando County Fire Rescue District, who is very supportive of Spring Hill. He said, "This is revenue that is dependent on to keep the tax base for the citizens. Allowing it to come in is going to impact

REVENUE

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our collections and revenues we generate."

Nichols said his department grosses \$242,000 annually on non-emergency transports.

The issue goes beyond money.

In a letter to county commissioners, Hernando County Fire Chief Mike Nickerson has already expressed his opposition to AMR's proposal.

If the department lost transport revenue, forcing a removal of emergency units and personnel, "a serious staffing shortfall would exist during future major fire and EMS emergencies," Nickerson wrote.

"The (department) does not have the ability to reduce the number of ambulances and EMS crews currently in service, without severely impacting the entire system as a whole," Nickerson said.

Fire Chief Morrison said he has received no complaints from the public or the hospi-

tals about the current level of service.

Spring Hill Fire Commissioner Leo Jacobs objected to AMR's selective handling of transport patients by taking those that have a strong likelihood of being paid by insurance companies.

"AMR wants to cherry-pick and get the best transports and leave us with the non-pays, which would be catastrophic for the district at the end of the year," Jacobs said.

"It looks like you're bringing a competing ambulance service in when the community hasn't asked for it. To me, I don't see that it makes any sense."

Only Fire Commissioner Richard Martin was willing to hear AMR's proposal.

"Obviously, I can understand the need to keep everything in-house," Martin said. "(But) I am interested in seeing what AMR has to say about this."

By law, every municipality

in Hernando County must be notified of AMR's request to do business here, said assistant county attorney Kent Weissinger.

So far, only Hernando County Fire Rescue and the city of Weeki Wachee have responded and both are against the proposal, he said. Weeki Wachee Mayor Robyn Anderson said she disapproved of AMR's license request.

Once he's heard from all affected parties, a public hearing will be set, Weissinger said.

Jim Pollard, public affairs and marketing manager for AMR's Gulf Coast division, said his company transports 4 million patients annually in 32 states.

AMR does more ambulance runs and non-emergency transports than any other company in the United States, he said.